

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ORDER

At Wilmington this 9th day of June, 2004, having conferred with counsel and having reviewed the papers submitted by the parties;¹

IT IS ORDERED that, with respect to the U.S. Patent No. 5,697,536 ("the '536 patent"):

1. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from:

(a) directly infringing claims 46, 47, and 56 of the '536 patent until the expiration of the '536 patent by making, using, offering to sell, or selling in the United States, or importing into the United States, the Saphyre,² ElectroBlade, or Control RF

'Arthrocare's motion for entry of a permanent injunction (D.I. 485) is granted, and Smith & Nephew's motion to delay entry of injunction pending consideration of motion to stay injunction in Federal Circuit (D.I. 511) is denied as moot.

²When the court refers to the Saphyre products listed on Exhibit A herein, the court intends to include both the suction and non-suction models, unless otherwise specified.

products listed on Exhibit A attached hereto; (b) inducing the infringement of claims 46, 47, and 48 of the '536 patent until the expiration of the '536 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the Saphyre, ElectroBlade, or Control RF products listed on Exhibit A ; and (c) contributing to the infringement of claims 46, 47, and 48 of the '536 patent until the expiration of the '536 patent by offering to sell or selling in the United States, or importing into the United States, the Saphyre, ElectroBlade, or Control RF products listed on Exhibit A.

IT IS FURTHER ORDERED that, with respect to United States Patent No. 5,697,882 ("the '882 patent"):

1. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from inducing the infringement of claims 13 and 17 of the '882 patent until the expiration of the '882 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the non-suction models of the Saphyre products listed on Exhibit A.

2. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from

inducing the infringement of claim 54 of the '882 patent until the expiration of the '882 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the suction models of Saphyre products listed on Exhibit A.

3. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from inducing the infringement of claims 17 and 54 of the '882 patent until the expiration of the '882 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the Control RF products listed on Exhibit A.

4. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from contributing to the infringement of claims 13 and 17 of the '882 patent until the expiration of the '882 patent by offering to sell or selling in the United States, or importing into the United States, the non-suction models of the Saphyre products listed on Exhibit A.

5. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from

contributing to the infringement of claim 54 of the '882 patent until the expiration of the '882 patent by offering to sell or selling in the United States, or importing into the United States, the suction models of the Saphyre products listed on Exhibit A.

6. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from contributing to the infringement of claims 17 and 54 of the '882 patent until the expiration of the '882 patent by offering to sell or selling in the United States, or importing into the United States, the Control RF products listed on Exhibit A.

IT IS FURTHER ORDERED that, with respect to United States Patent No. 6,224,592 ("the '592 patent"):

1. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from inducing the infringement of claims 1, 3, 4, 11, 23, 26, 27, and 32 of the '592 patent until the expiration of the '592 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the Saphyre, ElectroBlade, or Control RF products listed on Exhibit A.

2. Defendant Smith & Nephew, its officers, agents,

servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from inducing the infringement of claims 21 and 42 of United States the '592 patent until the expiration of the '592 patent by inducing any person or entity to make, use, offer to sell, or sell in the United States, or import into the United States, the Control RF products listed on Exhibit A.

3. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from contributing to the infringement of claims 1, 3, 4, 11, 23, 26, 27, and 32 of the '592 patent until the expiration of the '592 patent by offering to sell or selling in the United States, or importing into the United States, the Saphyre, ElectroBlade, or Control RF products listed on Exhibit A.

4. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined from contributing to the infringement of claims 21 and 42 of the '592 patent until the expiration of the '592 patent by offering to sell or selling in the United States, or importing into the United States, the Control RF products listed on Exhibit A.

IT IS FURTHER ORDERED that:

1. Defendant Smith & Nephew retrieve from all persons and

entities, including sales representatives, distributors, executives, doctors, and hospitals, all Saphyre, ElectroBlade, and Control RF products listed in Exhibit A for which title has not passed from Smith & Nephew, Inc..

2. Defendant Smith & Nephew provide a copy of this order to each of its sales representatives, distribution executives, and other distributors for the Saphyre, ElectroBlade, and Control RF products listed in Exhibit A, whether or not such persons are employees of Smith & Nephew, Inc..

3. Defendant Smith & Nephew shall have a transition period from the date of this order until July 27, 2004³ to allow time for defendant Smith & Nephew to alert surgeons not to utilize the Saphyre, ElectroBlade, and Control RF probes listed on Exhibit A and for surgeons to receive instruction on alternative, non-infringing products.

4. Defendant Smith & Nephew, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, are enjoined committing any of the acts enumerated herein during this transition period.



United States District Judge

³The court granted Smith & Nephew a three month transition period commencing on April 27, 2004. (See D.I. 508) This transition period concludes on July 27, 2004.

Exhibit A

The Infringing Products

I. Saphyre Products

Saphyre 90-degree, 3 mm Bipolar Ablation Probe, Integrated Cable, REF 925001 / 7209686

Saphyre 90-degree, 3 mm Suction Bipolar Ablation Probe, Integrated Cable, REF 925011 / 7209683

Saphyre 60-degree, 3 mm Bipolar Ablation Probe, Integrated Cable, REF 925003 / 7209685

Saphyre 60-degree, 3 mm Suction Bipolar Ablation Probe, Integrated Cable, REF 925013 / 7209682

Saphyre 90-degree HP Ablator, REF 7209684

Saphyre 90-degree HP Ablator with suction, REF 7209681

Pro-Saphyre 60-degree Small Joint with Suction, Oratec No. 925016

Pro-Saphyre 60-degree Small Joint, Oratec No. 925026

Saphyre II 90-degree HP with Suction, REF 7210112

Saphyre II 90-degree with Suction, REF 7210111

Saphyre II 60-degree with Suction, REF 7210113

Saphyre II 40-degree curved with Suction, REF 7210185

II. ElectroBlade Products

Dyonics Series 9000 ElectroBlade Resector 4.5 mm Full Radius Blade, REF 7205961

Dyonics Series 9000 ElectroBlade Resector 4.5 mm Elite, REF 7209700

Dyonics Series 9000 ElectroBlade Resector 5.5 mm Full Radius
Vulcan Plug-in, REF 7205962

Dyonics Series 9000 ElectroBlade Resector 5.5 mm Elite Vulcan
Plug-in, REF 7209982

Dyonics Series 9000 ElectroBlade Resector 4.5 mm Full Radius
Blade Vulcan Plug-in, REF 7209855

Dyonics Series 9000 ElectroBlade Resector 4.5 mm Elite Vulcan
Plug-in, REF 7209983

III. Control RF Products

Dyonics Series 7000 RF Arthroscopic Probe, Type RS, REF 7205956

Dyonics Series 7000 RF Arthroscopic Probe, Type RSX, REF 7205957

Dyonics Series 7000 RF Arthroscopic Probe, Type RE, REF 7209034

Dyonics Series 7000 RF Arthroscopic Probe, Type REX, REF 7209035

Dyonics Series 7000 RF Arthroscopic Probe, Type AP, REF 7209036

Dyonics Series 7000 RF Arthroscopic Probe, Type APX, REF 7209037

Dyonics Series 7000 RF Arthroscopic Probe, Type MR, REF 7209038

Dyonics Series 7000 RF Arthroscopic Probe, Type MRX, REF 7209039

Dyonics Control RF Generator Adaptor, REF 7207908